South Dakota Public Utilities Commission Meeting Tuesday, May 22, 2007, at 9:30 A.M. State Capitol Building, Room 412 Pierre, South Dakota

NOTE: If you wish to join this meeting by conference call, please contact the Commission at 605-773-3201 by 5:00 p.m. on May 21, 2007. Lines are limited and are given out on first come/first serve basis, subject to possible reassignment to accommodate persons who must appear in a proceeding. Ultimately, if you wish to participate in the Commission Meeting and a line is not available you may have to appear in person.

NOTE: To listen to the Commission Meeting live please go to the PUC's website www.puc.sd.gov and click on the LIVE button on the home page. The Commission requests that persons who will only be listening to proceedings and not actively appearing in a case listen via the webcast to free phone lines for those who have to appear. The Commission meetings are archived on the PUC's website under the Commission Actions tab and then click on the LISTEN button on the page.

NOTE: Notice is further given to persons with disabilities that this Commission meeting is being held in a physically accessible place. If you have special needs, please notify the Commission and we will make all necessary arrangements.

AGENDA OF COMMISSION MEETING

Consumer Reports

1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission. (Consumer Affairs: Deb Gregg)

Consumer Complaints

1. In the Matter of Complaints Filed Against eChurch Network Regarding Unauthorized Billing in Dockets CT06-008 and CT06-009

CT06-008

In the Matter of the Complaint filed by Siesta Motel, Mitchell, South Dakota, against eChurch Network Regarding Unauthorized Billing (Staff Analyst: Deb Gregg, Staff Attorney: Kara Van Bockern)

On November 29, 2006, Siesta Motel filed a formal complaint against eChurch. Complainant claims it received a telephone bill with unauthorized eChurch long distance charges. Complainant did not authorize the long distance charges. Complainant seeks to have the Public Utilities Commission help resolve this matter by enforcing applicable rules and statutes, including but not limited to the imposition of any fine or penalty if informal resolution cannot be reached.

CT06-009 In the Matter of the Complaint filed by Motel 6, Mitchell, South Dakota, against eChurch Network Regarding Unauthorized Billing (Staff Analyst: Deb Gregg, Staff Attorney: Kara Van Bockern)

On December 4, 2006, Motel 6 filed a formal complaint against eChurch. Complainant claims it received a telephone bill with unauthorized eChurch long distance charges. Complainant did not authorize the long distance charges. Complainant seeks to have the Public Utilities Commission help resolve this matter by enforcing applicable rules and statutes, including but not limited to the imposition of any fine or penalty if informal resolution cannot be reached.

TODAY, shall the Commission Dismiss the Complaints and Close the Above Referenced Dockets?

2. CE07-001 In the Matter of the Complaint filed by Michael McCreight, Mitchell, South Dakota, against NorthWestern Energy Regarding Utility Service Refusal (Staff Analyst: Deb Gregg, Staff Attorney: Kara Van Bockern)

Complaint by Michael McCreight against NorthWestern Energy regarding NorthWestern's refusal to provide utility service at the Stardust Motel in Mitchell, SD. Mr. McCreight recently signed a lease agreement for the Stardust Motel and now desires to transfer utilities into his name and restore utilities to the Motel. He intends to reopen the Motel for business and act as the Motel manager and operator. NorthWestern refused Mr. McCreight's request due to a balance owed by the former owner and operator of this same property. On May 15, 2007, Mr. McCreight filed an Emergency Motion for Temporary Service while the complaint is being resolved.

TODAY, shall the Commission Grant the Emergency Motion?

<u>Electric</u>

1. EL06-020 In the Matter of the Application by Navitas Energy, Inc. for an Energy Conversion Facility Permit for the Construction of the White Wind Farm and Associated Collection Substation and Electric Interconnection System (Staff Analysts: Martin Bettmann/Bob Knadle/Nathan Solem, Staff Attorney: Karen Cremer)

On July 11, 2006, White Wind Farm, LLC, a wholly owned subsidiary of Navitas Energy, Inc., filed an application seeking an Energy Conversion Facility Permit to construct and operate the White Wind Farm. The White Wind Farm is a proposed 200 MW wind energy electricity generating facility and ancillary services located on approximately 93 acres in Sherman Township, southeast of White, South Dakota in Brookings County. The project consists of up to 105 2 MW wind turbine generators, associated electric collector lines, a collection substation and interconnection and upgrades to the WAPA White Substation. On September 8, 2006, Interstate Telecommunications Cooperative, Inc. (ITC) filed an Application for Party Status. The South Dakota Rural Electric Association (SDREA) filed a Petition to Intervene on September 11, 2006. On September 19, 2006, the Local Review Committee filed a request for \$2,000 from the Commission in order to hire a consultant to assist in carrying out the review committee's responsibilities. Sioux Valley Electric (Sioux Valley) filed a Petition to Intervene on October 18, 2006. Intervention was granted to Sioux Valley at the October 31, 2006, commission meeting. On March 19, 2007, ITC filed a request to withdraw as a party to the docket. Party status was granted to ITC, intervention was granted to SDREA and the local review committee's request for \$2,000 to hire a consultant was granted at the September 26, 2006, commission meeting. The Commission granted ITC's request to withdraw at its March 27, 2007, meeting. On May 15, 2007, SDREA, Sioux Valley and Navitas filed a Stipulation.

TODAY, shall the Commission Approve the Stipulation?

2. EL07-016 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Charles Mix Electric Association, Inc. and Douglas Electric Cooperative, Inc. (Staff Analysts: Nathan Solem/Martin Bettmann, Staff Attorney: Karen Cremer)

On April 23, 2007, Charles Mix Electric Association, Inc. and Douglas Electric Cooperative, Inc. filed for Commission approval a Service Territory Transfer Agreement between the two companies. Charles Mix agrees to transfer to Douglas Electric one customer at Lot A, W. J. Bertram 1st Addn. in Government Lot 6 within the Northwest Quarter of Section 31, Township 98 North, Range 63 West, Charles Mix County, South Dakota. It is the opinion of both Charles Mix Electric Association, Inc. and Douglas Electric Cooperative, Inc. that this transfer of service area is in the best interests of both parties, as well as in the public interest.

TODAY, shall the Commission Approve the Electric Service Territory Boundary Change?

3. EL07-017 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Black Hills Power, Inc. and West River Electric Association, Inc. (Staff Analysts: Nathan Solem/Martin Bettmann, Staff Attorney: Karen Cremer)

On April 30, 2007, West River Electric Association, Inc. (WREA) and Black Hills Power, Inc. (BHP) filed for Commission approval a Service Territory Transfer Agreement between WREA and BHP. BHP and WREA agree to relocate the East-West Service Territory boundary in Section 29, Township 2 North, Range 8 East, Black Hills Meridian, Pennington County, South Dakota. It is the opinion of both WREA and BHP that this transfer of service area is in the best interests of both parties, as well as in the public interest.

TODAY, shall the Commission Approve the Electric Service Territory Boundary Change?

Natural Gas

1. NG07-011 In the Matter of the Filing by NorthWestern Corporation d/b/a NorthWestern Energy for Approval of a Contract with Deviations with Millennium Ethanol, L.L.C. (Staff Analyst: Dave Jacobson, Staff Attorney: Karen Cremer)

Application by NorthWestern Energy for approval of a contract with deviation and associated tariff changes for the provision of natural gas service to Millenium Ethanol, L.L.C. The Customer is a large volume user (over 10,000 MMBtu per day) and would normally be served under the transportation tariff rate 87. However, it is required that approximately 32 miles of pipeline be built to serve this customer. Under the proposed Contract, the Customer's contribution for the Company's investment in line extensions necessary to be constructed to serve the Customer is the "deviation" from such Tariff.

TODAY, shall the Commission Approve the Tariff Revisions? AND, shall the Commission Approve the Contract with Deviations?

2. NG07-012 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of Tariff Revisions Regarding the Experimental Conservation Program Tracking Mechanism Rate 90. (Staff Analysts: Dave Jacobson/Brian Rounds/Steve Wegman, Staff Attorney: Karen Cremer)

Application by Montana-Dakota Utilities Co. for approval of tariff revisions to effectuate a Conservation Tracking Adjustment pursuant to the terms of the Conservation Program Tracking Mechanism

Rate 90 tariff previously approved in Docket NG05-016. The proposed adjustment would recover expenditures and costs incurred through February 28, 2007. Rate 90 provides that this adjustment is to take effect on May 1st of each year; however Montana-Dakota recognizes that given the timing of this filing, the first adjustment will not be implemented on that date.

TODAY, shall the Commission Approve the Tariff Revisions?

Telecommunications

1. TC06-007 In the Matter of the Petition of Level 3 Communications, LLC for Arbitration of an Interconnection Agreement with Qwest Corporation. (Commission Attorney: Rolayne Ailts Wiest)

On January 26, 2006, Level 3 Communications, LLC (Level 3) filed a Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 for Rates, Terms, and Conditions of Interconnection with Qwest Corporation (Qwest). In its Petition, Level 3 requested that the Commission arbitrate certain terms and conditions of a proposed Interconnection Agreement between Level 3 and Qwest. Pursuant to ARSD 20:10:32:30, Qwest may respond to the Petition and provide additional information by February 21, 2006. On May 7, 2007, Level 3 filed a Motion to Withdraw Petition and Terminate Arbitration Proceedings and also filed a Notice of Adoption of Qwest's Statement of Generally Available Terms

TODAY, shall the Commission Grant Level 3's Motion to Withdraw Petition and Terminate Arbitration Proceedings?

2. TC06-030 In the Matter of the Filing by McLeodUSA Telecommunications Services, Inc. for Approval of Revisions to its Intrastate Switched Access Tariff and for Approval of Rates (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On April 7, 2006, McLeodUSA Telecommunications Services, Inc. (McLeodUSA) filed switched Access Tariff No. 3 that proposes to replace in its entirety Access Tariff No. 1. McLeodUSA states that it "has recently undertaken an overarching review of its existing access products with an eye toward simplifying those products, as well as developing rates and rate elements more consistent with its underlying network and operations. As a result of that review, McLeodUSA has streamlined its various state-specific tariffs into a regional template upon which all of its intra-state tariffs will now be based. This tariff filing effectuates those revisions." On March 19 and April 25, 2007, McLeod filed revised tariff sheets.

TODAY, shall the Commission Approve the Revisions to the Intrastate Switched Access Tariff? AND, shall the Commission Approve the Rates?

- 3. In the Matter of the Applications of Sprint Communications Company L.P. for Authority to Provide Local Exchange Services in Dockets TC06-178 and TC06-180
 - TC06-178 In the Matter of the Application of Sprint Communications Company L.P. for Authority to Provide Local Exchange Services in Certain Rural Areas Served by Brookings Municipal Utilities d/b/a Swiftel Communications. (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On October 20, 2006, Sprint Communications L.P. filed a petition seeking authorization to provide local exchange services in the rural area served by Brookings Municipal Utilities d/b/a Swiftel Communications in the Brookings rate center. On November 7, 2006, the South Dakota

Telecommunications Association (SDTA) filed a Petition for Intervention. Sprint filed Opposition to SDTA's Intervention on November 20, 2006. The Commission granted intervention to SDTA at its December 6, 2006, meeting. On May 4, 2007, the Parties filed a Joint Motion for Delay of Hearings and to continue the requested filings and hearing dates.

TC06-180 In the Matter of the Application of Sprint Communications Company L.P. for Authority to Provide Local Exchange Services in Certain Rural Areas Served by Interstate Telecommunications Cooperative, Inc. (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On October 24, 2006, Sprint Communications L.P. filed a petition seeking authorization to provide local exchange services in the rural areas served by the Interstate Telecommunications Cooperative, Inc. ILEC in the Castlewood, Elkton, Estelline, Hayti, Lake Norden and White rate centers. On November 7, 2006, the South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention. Interstate Telecommunications Cooperative (ITC) filed a Petition for Intervention on November 8, 2006. Sprint filed Opposition to SDTA's Intervention on November 20, 2006. The Commission granted intervention to SDTA at its December 6, 2006, meeting. On May 4, 2007, the Parties filed a Joint Motion for Delay of Hearings and to continue the requested filings and hearing dates.

TODAY, shall the Commission Grant the Joint Motion for Delay of Hearings?

- 4. In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a Mediacom for a Certificate of Authority in Dockets TC06-188 and TC06-189
 - TC06-188 In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a Mediacom for a Certificate of Authority to Provide Interexchange and Local Exchange Services in the Brookings Exchange (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On November 6, 2006, MCC Telephony of the Midwest, Inc. d/b/a Mediacom ("MCC") filed a petition for a certificate of authority to provide facilities-based and resold basic local exchange services. Services proposed will include non-switched, switched local services and special access services in the Brookings rural exchange area. Brookings Municipal Utilities d/b/a Swiftel Telecommunications (Swiftel) filed a Petition for Intervention on November 21, 2006. The South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention on November 22, 2006. The Commission granted intervention to Swiftel and SDTA at its December 6, 2006, meeting.

In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a
Mediacom for a Certificate of Authority to Provide Interexchange and Local
Exchange Services in the Castlewood, Elkton, Estelline, Hayti, Lake Norden and
White Exchanges (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van
Bockern)

On November 6, 2006, MCC Telephony of the Midwest, Inc. d/b/a Mediacom ("MCC") filed a petition for a certificate of authority to provide facilities-based and resold basic local exchange services. Services proposed will include non-switched, switched local services and special access services in the Castlewood, Elkton, Estelline, Hayti, Lake Norden and White rural exchange areas. On November 10, 2006, Interstate Telecommunications Cooperative, Inc. (ITC) filed a Petition for Intervention. The South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention on November 22, 2006. Intervention was granted to ITC at the November 28, 2006, commission meeting. The Commission granted intervention to SDTA at its December 6, 2006, meeting.

TODAY, shall the Commission Grant the Joint Motion for Delay of Hearings?

5. TC07-022 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and AT&T Communications of the Midwest, Inc. (Staff Attorney: Kara Van Bockern)

On April 20, 2007, the Commission received a filing for the approval of a rate amendment, amendment number 5 to the interconnection agreement between Qwest Corporation and AT&T Communications of the Midwest, Inc. for the State of South Dakota.

TODAY, shall the Commission Approve the Amendment to the Agreement?

6. TC07-026 In the Matter of the Application of ACCESS2GO, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota. (Staff Analyst: Keith Senger, Staff Attorney: Karen Cremer)

On May 5, 2007, ACCESS2GO, Inc. filed an application seeking a Certificate of Authority to provide interexchange services throughout South Dakota. On May 14, 2007, ACCESS2GO submitted a request for withdrawal of their application.

TODAY, shall the Commission Grant the Withdrawal Request?

Announcements

- 1. The next regularly scheduled Commission meeting will be held June 5, 2007, at 9:30 a.m. in Room 412, State Capitol Building, Pierre, SD.
- 2. Commission meetings are scheduled for June 26 and July 10, 2007.
- 3. The PUC offices will be closed on Monday, May 28, 2007, in observance of Memorial Day.
- 4. A hearing in docket TC07-013 will be held in Room 412, State Capitol Building, Pierre, SD, on June 6, 2007. The hearing will begin at 9:00 a.m.
- 5. Commissioners and staff will be attending the annual Mid-American Regulatory Conference in Minneapolis, MN, June 17 22, 2007.
- 6. A hearing in Dockets TC06-178, TC06-180, TC06-188, and TC06-189 will be held in Room 412, State Capitol Building, Pierre, SD, June 26 29, 2007. The hearing will begin immediately following the Commission Meeting on June 26, 2007, and at 8:30 a.m. on June 27, 28, and 29, 2007.
- 7. The PUC offices will be closed on Wednesday, July 4, 2007, in observance of Independence Day.

Heather K. Forney

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May 15, 2007